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High-level political forum on Sustainable
Development, convened under the auspices
of the Economic and Social Council**

**Summary by the President of the Economic and Social
Council of the forum on financing for development follow-
up, including the special high-level meeting with the Bretton
Woods institutions, the World Trade Organization and the
United Nations Conference on Trade and Development
(New York, 23-26 April 2018)**

I. Introduction

1. The third forum on financing for development follow-up of the Economic and Social Council was convened by Marie Chatardova (Czechia), President of the Council, at United Nations Headquarters in New York from 23 to 26 April 2018. The forum, including the special high-level meeting with the Bretton Woods institutions, featured an unprecedented level of engagement and participation by all stakeholders. Thirty-six ministers, vice-ministers and senior government officials attended the forum, representing a record number since the inception of the forum. The forum also attracted a more diverse body of participants from the investment community, including major commercial banks, asset managers and development banks.

2. Overall, the discussions of the forum were characterized by long-term orientation, a strong focus on the most vulnerable countries and sensitivity to systemic risks. The forum conveyed an overarching message that policymakers should capitalize on the economic upturn to fix the deep-rooted systemic challenges and vulnerabilities related to financing the Sustainable Development Goals. The forum adopted by consensus a set of intergovernmentally agreed conclusions and recommendations. The outcome document contains critical actions to be taken forward and to feed into the overall follow-up to and review of the implementation of the 2030 Agenda in the high-level political forum on sustainable development.

* A/73/50.



II. Opening of the forum on financing for development follow-up

3. The forum was opened by the President of the Economic and Social Council, with addresses by the President of the General Assembly, the Secretary-General (by video message) and the Deputy Secretary-General.

4. The President of the Economic and Social Council welcomed the progress made in all action areas of the Addis Ababa Action Agenda and called on the international community to build on the upturn in the global economy and address risks posed by crises and shocks. She emphasized the importance of fulfilling commitments and taking concrete action on the ground, including through national sustainable development strategies coupled with long-term plans for financing the Sustainable Development Goals. Such investment needed to be sustainable and inclusive, ensuring that no one was left behind and that the countries in greatest need also benefited. In that regard, the forum provided a critical platform to facilitate knowledge-sharing among States and development partners.

5. The President of the General Assembly pointed out that investments, financing and partnerships needed to be scaled up to meet the ambitious vision of the 2030 Agenda and the Addis Ababa Action Agenda. Nevertheless, the current rate of progress was insufficient for achieving the Sustainable Development Goals by 2030. Overcoming financing gaps was essential, alongside efforts to mobilize all means of implementation. Rather than "throwing money at the problem", he recommended a more strategic and targeted approach, with the Addis Ababa Action Agenda showing the way. The forum was an important space for assessing progress, sharing experiences, translating commitments into action and digging deeper for solutions to ensure implementation. To reinforce collective efforts on urgent financing needs, he announced that he would host a high-level event on financing the Sustainable Development Goals on 11 June 2018.

6. Addressing the forum by video message, the Secretary-General emphasized that financing challenges could not be overcome in isolation. He underlined the need to uphold commitments on official development assistance (ODA) while promoting entrepreneurship and free and fair trade. National resource mobilization should be broadened through ensuring tax reform and good governance. The international community needed to fight money-laundering and illicit financial flows. Governments and businesses must work in partnership to unlock the needed capital. The Secretary-General announced his decision to host a high-level meeting on finance in September 2018, with a view to encouraging action by world leaders and all partners to invest in a sustainable and prosperous future for all.

7. The Deputy Secretary-General emphasized that national leadership, ownership and implementation were at the heart of the 2030 Agenda and that mobilization of domestic resources was fundamental. ODA continued to be critical, and it was worrisome that ODA had stagnated for some of the most vulnerable countries. International efforts must be strengthened to support infrastructure investment, as well as to combat tax evasion, money-laundering and illicit financial flows. There was also need for a change in mindset and a scaling up in innovation, both for supporting longer-term investments in sustainable development and for unlocking resources for countries beset by crises and shocks. The Deputy Secretary-General informed participants that the United Nations country and regional presence was improving coherence for better delivery of results on the ground, in line with the overall reform vision of the Secretary-General.

III. Keynote and special addresses

8. Donald Kaberuka, High Representative of the African Union Peace Fund and former President of the African Development Bank, delivered a keynote address. He argued that, with the 2030 Agenda, the international community had transcended North-South bifurcation to embrace a pluralist, multipolar view of global sustainable development challenges and resources for overcoming those challenges. ODA would continue to be important in such a context, but it needed to be "smart". In that regard, he recommended putting fragility at the centre of discussions in future forums and other financing-related events. Mr. Kaberuka underlined that there was currently a window of opportunity in the global economy to mobilize significant resources from many actors for the Sustainable Development Goals. That required not only greater capacities at the national level, but also a clearer commitment from the international community to address illicit financial flows. Strengthening multilateral institutions and steering clear of zero-sum national policies should therefore animate the pursuit of the Goals through 2030.

9. Sultan bin Saad Al-Muraikhi, Minister of State for Foreign Affairs of Qatar, delivered a special address to share the outcomes of the High-level Conference on Financing for Development and the Means of Implementation of the 2030 Agenda for Sustainable Development, which had been organized by Qatar in cooperation with the Department of Economic and Social Affairs of the Secretariat in November 2017. The conference had resulted in the "Doha messages" aimed at strengthening coherence and cooperation for the implementation of the 2030 Agenda and the Addis Ababa Action Agenda. The messages underlined the importance of meeting the enormous financing needs of the Sustainable Development Goals through a mix of all available resources. Domestic resource mobilization for long-term development did not have to come at the cost of meeting urgent short-term needs. National development banks, as well as blended finance, had strong potential to address shortfalls in current funding. International development cooperation remained essential to support those most in need and those furthest behind. Engaging all relevant stakeholders was critical.

IV. Perspectives from the 2018 report of the Inter-agency Task Force on Financing for Development

10. Liu Zhenmin, Under-Secretary-General for Economic and Social Affairs and Chair of the Inter-Agency Task Force on Financing for Development, introduced the 2018 report of the Inter-Agency Task Force on Financing for Development. Noting the mixed picture in the world economy, Mr. Liu pointed out that most types of development financing flows had increased, but global risks remained high. Increasing interest rates, debt vulnerabilities and the adoption of inward-looking policies could derail progress. Financial sector incentives needed to be long term in orientation and aligned with sustainable development. The growing interest in sustainable investment was welcome, but such risks needed greater attention. He emphasized that policies, plans and project pipelines needed to be informed by integrated national financing strategies, reaching beyond political cycles. The Task Force would continue to work on financing frameworks and strategies in its 2019 report, analysing national actions and the global enabling environment needed to facilitate long-term investment. Public finance remained essential and the importance of meeting ODA commitments could not be overemphasized; it was also important to scale up South-South cooperation. Furthermore, quality private and blended finance were important, but national development priorities would determine which financing models and related actors were best positioned to manage risks and provide services.

11. In a video message to the forum, Roberto Azevêdo, Director-General of the World Trade Organization (WTO), stated that international trade and WTO were important resources in support of implementing the 2030 Agenda. The opening of the world economy had advanced living standards for billions of people, with developing countries' share of global trade increasing significantly in recent decades. Trade was now growing at a sustained pace, which could underpin global economic growth and contribute to poverty eradication. There was a risk that this could be undermined by the recent, rising spectre of protectionism. Instead of escalating tensions, disputes should be resolved constructively. WTO was delivering results in response to member demands, including the conclusion of the Trade Facilitation Agreement and the abolishment of agricultural export subsidies. WTO continued to address current and emerging issues such as food security, fishery subsidies and closing the gaps in trade finance, which were felt disproportionately by smaller players.

12. Achim Steiner, Administrator of the United Nations Development Programme (UNDP), underlined the importance of disaggregating the global headlines on financing for development, noting that the reality "on the ground" was varied and complex. He suggested that the Task Force, and the United Nations system as a whole, should think about how its financing-related work reflected and spoke to people's reality. Recommendations should be communicated in ways that would empower users to make better decisions. Focusing on rapid technological change and its associated challenges was one option for creating a link to everyday concerns. Among the public, there were difficult questions about job loss and fiscal and tax policies that privileged capital over labour. Another opportunity for engaging pragmatically with people's concerns was the issue of volatility — whether as a result of conflict, economic vulnerability or environmental shock. Instruments should be developed that better connected to those realities. On sustainable finance, the discussion should move away from finding the needed capital to aligning and attracting existing capital to where it was most needed. UNDP could help to test new ideas and facilitate best practices in its work on the ground.

13. Mukhisa Kituyi, Secretary-General of United Nations Conference on Trade and Development (UNCTAD), cautioned that the recent economic upturn might not signal sustained improvement over the medium term and underscored the continued importance of strong multilateralism. Rising protectionism and growing paralysis with regard to certain parts of the trade agenda were cause for concern. The international community should take advantage of where progress was being made, such as at the regional level with the African Continental Free Trade Area. Regarding technology transfer, the issue of automation and robotics should not overshadow the challenges and opportunities associated with the digital economy. Finally, he underlined the growing significance of debt in developing countries, including high corporate debt in middle-income countries, which would be transferred to public balance sheets in the event of a crisis. He recommended reviving the discussion on sovereign debt restructuring.

14. Tao Zhang, Deputy Managing Director of the International Monetary Fund (IMF), noted that conditions in some emerging economies had become more challenging, especially among commodity exporters. IMF projected that growth would weaken in many developing countries in the next five years, with serious implications for the Sustainable Development Goals. Many low-income and developing countries were accumulating more debt. To address the debt problems, borrowers should strengthen capacity, focus on projects with realistic rates of return and improve domestic resource mobilization. Lenders should assess the impact of new loans on debt positions and coordinate more effectively with official lenders, among other things. IMF was committed to working closely with its members to strengthen their approaches to debt management. Mr. Zhang emphasized the need to

focus on diversification, especially among commodity exporters, as well as development of the financial system, the business environment, entrepreneurship and human capital.

15. Mahmoud Mohieldin, Senior Vice President for the 2030 Development Agenda, United Nations Relations and Partnerships of the World Bank Group, referred to the important capital increase package agreed at the 2018 Spring Meetings of the World Bank as a prime example of how the international community could work together through the multilateral system in support of the 2030 Agenda. The significance was not simply the size of the increase, but rather the additional resources it could leverage. The impact of the increase would drive progress in low-income countries and fragile States, as well as enhance gender equality and partnerships with the private sector. Progress on domestic resource mobilization should be quickened. The joint work of IMF, the Organization for Economic Cooperation and Development (OECD) and the United Nations to promote improved tax collection and public expenditure at the national and local levels was critical. The accumulation of public debt deserved greater attention, as its potential impact could be even worse than the consequences of the global financial crisis on developing countries. Due diligence in lending decisions, sound principles of sustainable financing and contingency plans for debt restructuring were therefore important areas of work.

16. On behalf of the five regional commissions, Shamshad Akhtar, Executive Secretary of the Economic and Social Commission for Asia and the Pacific (ESCAP), stated that, at the regional level, there were worries about the impact of the anticipated rise in interest rates and increased volatility. Corporate debt was also high in many emerging markets, and there had been a slowdown in infrastructure spending in some countries as a result of debt concerns. Public-private partnerships were important for infrastructure, and legal and regulatory frameworks were being strengthened in each region. The demand for expertise and capacity-building in that regard was high, as the transactions alone could be very complex and there was often a lack of faith among counterparts. The challenge for fiscal policy was not only to generate more tax revenue but also to share the proceeds of growth more equitably, which was a big piece of the work done by the regional commissions in support of their Members. The Task Force had also raised the issue of potential benefits from regional tax organizations, and ESCAP was beginning work in that area.

V. Ministerial round tables

Ministerial round table 1

17. Neven Mimica, Commissioner of International Cooperation and Development of the European Commission, reaffirmed the commitment of the European Union to achieving the Sustainable Development Goals and highlighted its forthcoming pledge to the new Joint Fund for the 2030 Agenda for Sustainable Development. In that regard, he highlighted three priorities. First, development partners should meet their ODA targets, which was especially crucial for least developed countries and fragile States. Second, private sector investment should be increased and targeted to where it was most needed. Third, domestic resource mobilization needed to be supported, using an approach that emphasized "collect more, spend better" alongside efforts to stem tax evasion and tax avoidance, as well as illicit financial flows. The European Commission was focusing on capacity development and targeted investment. Its new external investment plan combined flexible financial guarantees, technical assistance and policy guidance to improve the investment climate and support viable projects; it had allocated about €900 million for blended finance operations in sub-Saharan Africa. He referred to the launch of the report on "Investing in sustainable

development", which explained how the European Union was implementing the Addis Ababa Action Agenda under a common strategy.

18. Sahar Nasr, Minister of Investment and International Cooperation of Egypt, summarized the various reforms under way to attract sustainable investment and mobilize resources for infrastructure and sustainable development. Empowering women and youth was a cross-cutting element for all actions. Egypt was making major policy and institutional reforms to create sustainable employment and foster entrepreneurship. A key pillar of those reforms was strengthening governance through policies to counter money-laundering and corruption. The reforms were aimed at facilitating greater access to microfinance, mortgages and the financial system more broadly, prioritizing people at the centre. The reforms were being implemented together with social programmes, such as conditional cash transfers and school feeding programmes, to build resilience to adverse impacts.

19. Mohamed Asim, Minister of Foreign Affairs of Maldives, highlighted the importance of the forum, especially in supporting sustainable growth in small island developing States. Maldives was trying to strengthen policies and efforts to mobilize resources but faced limitations and constraints. The United Nations could play an important role in promoting an enabling global environment, particularly with regard to lending terms, that improved chances for small island developing States to achieve the Sustainable Development Goals. Inequality continued to be a major impediment to ending poverty, and international cooperation and the multilateral trading system were critical in that regard. To enact the transformative changes required to attract the necessary resources, the private sector should play a bigger role and the public sector needed to improve efforts to incentivize its contributions.

20. Oleksandr Danyliuk, Minister of Finance of Ukraine, described how the country had more than 1.6 million internally displaced persons, which had created an unforeseen demand for national resources. Inflation had recently skyrocketed and the national currency had been devalued three times. Those and other factors had emerged as major constraints on the country's capacity to finance its development priorities. One key priority had been the implementation of measures to counter corruption, in which civil society played a key role. The Government had also introduced structural reforms in health, energy and educational systems, and a budget and monitoring mechanisms were in place to support implementation. The mobilization of internal resources, including through the national tax system and technological solutions, had been prioritized. That experience had shown that reforms should be carried out sooner rather than later, and that working closely with the international financial institutions was critical, but insufficient if national will and leadership were not in charge.

21. Karin Finkelston, Vice-President of Partnerships, Communication and Outreach of the International Finance Corporation of the World Bank Group, said that the 2018 Spring Meetings had been historic and that the agreed capital increase would enable work across public and private partnerships to deliver on the 2030 Agenda. The World Bank was now working to support developing countries with regard to two challenges: rising public debt and domestic resource mobilization. Those efforts should be complemented by mobilizing the private sector, through leveraging the Bank's limited capital for resources from the markets. The Bank's policies helped countries to reduce risk by developing investment policies and reforms, reducing subsidies and putting insurance in place. To assess its work, it was developing tools to measure the impact of private investment in countries.

22. Norbert Barthle, Parliamentary State Secretary to the Federal Minister for Economic Cooperation and Development of Germany, highlighted the steps Germany had taken through the Group of Twenty (G-20) and European Union platforms in support of its partners to achieve sustainable development. Ongoing adjustments to

the global financial and trading system were key elements of that work. Structural reforms were critical, alongside efforts to increase resilience to climate risks and other shocks. He noted that Germany sought to avoid the negative consequences of the impact of financing tools and interactions among those tools. Similarly, capital invested in sustainable development should not have a negative impact on debt sustainability. He underscored the importance of ODA and its catalytic role in mobilizing resources. The creation of new partnerships was also a priority, with the Global Alliance for Trade Facilitation and the G-20 partnership with Africa being two useful examples. He concluded by stating that the forum on financing for development follow-up, along with the high-level political forum on sustainable development, could help to strengthen the common international vision of the Addis Ababa Action Agenda.

23. Somchith Inthamith, Deputy Minister of Industry and Commerce of the Lao People's Democratic Republic, recognized the importance of the Addis Ababa Action Agenda and highlighted the challenges faced by many developing countries, including those in vulnerable situations, with regard to eradicating poverty. He called for development partners to meet their ODA commitments and emphasized the need for debtors and creditors to work closely with developing countries to achieve long-term debt sustainability. He underscored the importance of enacting policy reforms at the international and national levels to support countries through the transition. The Lao People's Democratic Republic was taking action towards graduation from least developed country status; its status would be decided at the next review by the Committee for Development Policy.

24. Elissa Golberg, Assistant Deputy Minister for Strategic Policy at Global Affairs Canada, noted that the forum on financing for development follow-up was ideal for bringing all actors together to discuss resource mobilization challenges faced by the countries themselves, as well as obstacles to engagement by other actors. She underscored the importance of ODA for least developed countries and fragile countries, where internal domestic mobilization was challenging. Traditional donors needed to continue to think about the full range of instruments available for crowding in resources and partnerships. Blended finance was not a panacea but could be useful in certain contexts. Its use should be closely analysed using a strong evidence base so that it could be channelled where and when it made the most sense. The role of government was key to reducing the risk for private investment and creating a climate for businesses. Innovation and inclusion were important for growth and investment, and considerations related to gender equality and diversity should be fully integrated into development policies. The work of the Inter-Agency Task Force on Financing for Development was critical for pursuing the next steps and continuing to build on progress.

25. Pio Wennubst, Assistant Director General of the Swiss Agency for Development and Cooperation, recommended a focused review of lessons learned on financing specific sectors if progress was to be made. Concerning the water sector, he said that there were various risks that had made long-term investment difficult. Experience had shown that a systemic, multisectoral approach to water, whether national or transboundary, had led to better financing operations. Blended finance options were often at a pilot stage and not sufficiently well designed to attract the appropriate investment. He noted that the comparative advantages offered by wealth management and pension fund management were not well reflected in current investment packages and should be better integrated without distorting the fundamental nature of those packages.

26. Mpho Parks Tau, President of United Cities and Local Governments, highlighted the importance of collaboration between central Governments and local authorities and noted that such collaboration should be based on not only transfer mechanisms

but also more effective spending in line with local realities. Growing inequalities between regions and territories were pushing some areas and population groups within countries towards marginalization.

27. During the interactive discussion, the experience of middle-income countries in Latin America was highlighted with respect to the region's relatively low taxation levels and informal economies. A concurrent challenge was the limited access to international finance on concessional terms since many countries in the region did not meet per capita income requirements.

Ministerial round table 2

28. Bambang Brodjonegoro, Minister of National Development Planning of Indonesia, noted that, while global economic growth provided opportunities, Indonesia faced bottlenecks in infrastructure and energy. To make progress, investment and partnerships with the private sector were critical, which required work by Governments to improve the investment climate. He emphasized his country's strong political commitment to maintaining an open international trading system with a fair and effective dispute resolution mechanism under WTO. Mr. Brodjonegoro also called for strengthening the mobilization of domestic resources and noted that Islamic finance could make a large contribution to sustainable development finance.

29. Khurelbaatar Chimed, Minister of Finance of Mongolia, noted that Mongolia benefited greatly from global growth and international investment but had encountered challenges from a sharp drop in commodity prices and reduced private investment. He stated that the national experience of Mongolia had demonstrated the importance of sound economic policies, including savings and economic diversification, as well as the risks of high debt levels. He underlined the importance of bolstering tax systems and mobilizing domestic revenue.

30. Teresa Ribeiro, Secretary of State of Foreign Affairs and Cooperation of Portugal, noted that per capita growth rates and further reforms would likely be insufficient to address the setbacks caused by the 2008 financial crisis. Smart ODA would be important to ensure that it could leverage greater progress. In that regard, Ms. Ribeiro emphasized the need to bring in the private sector to contribute to sustainable development and the reforms to government policies that were needed to achieve it. She underscored the importance of the multilateral trading system, reforms to the international financial architecture and measures to ensure debt sustainability.

31. Ulrika Modéer, State Secretary to the Minister for International Development Cooperation of Sweden, gave examples of new programmes and partnerships that were being implemented in Sweden, using a whole-of-government approach, including the introduction of green bonds, the expansion of guarantee instruments and the launch of the Stockholm Sustainable Finance Centre. She described the efforts of the Swedish steel industry to improve its environmental sustainability and the holding in May 2018 of a conference on building tax capacity. Ms. Modéer reiterated the commitment of Sweden to providing ODA equivalent to 1 per cent of gross national income.

32. Liu Zhenmin, Under-Secretary-General for Economic and Social Affairs, described three critical points that countries needed to address to achieve structural transformation: tax, infrastructure and trade. He indicated that strengthened domestic revenue mobilization must go together with enhanced international tax cooperation and in that regard pointed to the outcome of the First Global Conference of the Platform for Collaboration on Tax, hosted by the United Nations in February 2018. In addition, he emphasized the importance of infrastructure investment, which he noted would require both domestic public investment and the involvement of the

private sector. Finally, he stated that trade would be critical and that new technology provided opportunities for non-traditional routes to development, including by helping developing countries increase non-traditional exports.

33. Mohammad Khaza'ie, Deputy Minister of Economic Affairs and Head of the Organization for Investment and Economic and Technical Assistance of the Islamic Republic of Iran, highlighted the need for redoubled efforts towards poverty reduction and more broad-based and stable global economic growth. He underscored that coercive economic measures taken against developing countries were violations of international law. He further argued that international financial institutions should not be politicized and that a global partnership for sustainable development that involved all parties and countries was necessary. He concluded by underlining the continued important role to be played by development finance institutions in contributing to the achievement of the Sustainable Development Goals.

34. Kayula Siame, Permanent Secretary of the Ministry of Commerce, Trade and Industry of Zambia, stated that least developed countries were benefiting from global growth and that Zambia had maintained macroeconomic stability despite the fall in global commodity prices. She noted the importance of investment for least developed countries and said that Zambia had emphasized infrastructure development. She described her country's plans and programmes, and the importance of a revenue strategy and a strong tax system to pay for investment needs. Finally, she stressed that distortions to international trade, including disguised obstacles to trade, should be removed.

35. Sergio Londoño Zurek, Director General of the Presidential Cooperation Agency of Colombia, described the importance of the peace process for Colombia and the need to build peace and pursue sustainable development in tandem. He stressed the importance of monitoring progress and the need for transparent partnerships with the private sector, such as in infrastructure financing. Colombia had created special economic zones, provided tax incentives and promoted tourism in all parts of the country. He argued that ODA remained important even for middle-income countries and especially for those emerging from conflict.

36. Rémy Rioux, Chief Executive Officer of the Agence Française de Développement, emphasized four key trends: the creation of new development finance institutions, the increased concessionality of development bank lending, the emphasis on the private sector and strengthened coalitions between the public and private sector. He noted efforts to improve coordination and effectiveness in aid agencies across Europe. He concluded by stressing that national development banks should serve as a third pillar for sustainable development investment, alongside the multilateral development banks and the United Nations agencies, funds and programmes.

Ministerial round table 3

37. Abul Maal Abdul Muhith, Minister of Finance of Bangladesh, noted that the national budget had increased steadily in recent years. Foreign assistance remained important and represented about 10 per cent of the budget. One of the major challenges was to implement the budget evenly throughout the year. Oftentimes, disbursements of funds were rushed at the end of the year with detrimental effects on public service delivery. Through targeted efforts, the Government had made significant progress in disbursing a larger portion of the budget in a timely and effective manner.

38. Mustafa Mastoor, Minister of Economy of Afghanistan, pointed out that, aside from the health sector, progress had been slow and uneven. While \$85 billion in

foreign assistance had been committed to Afghanistan in the previous six years, 52 per cent of the population lived under the national poverty line and 44 per cent experienced food insecurity. The unemployment rate stood at 24 per cent and imports exceeded exports by a factor of more than 10. It was therefore crucial to increase aid effectiveness through more targeted interventions in promising sectors. He underlined the importance of supporting the Government in programme development rather than providing project support. He emphasized the need to mobilize private sector resources through ODA and to promote peer learning among least developed countries.

39. Régis Immongault, Minister of Economy, Forecasting and Sustainable Development Programming of Gabon, emphasized that the Government had improved the efficiency of its tax system and broadened the tax base through the introduction of a land tax. It had also prioritized a stable macroeconomic environment to increase investor confidence. Nevertheless, domestic actions often faced systemic constraints at the international level. Rising protectionism in trade would reduce income for the poorest countries and jeopardize development gains. He called for international support measures to enhance debt sustainability, promote innovative financing mechanisms, reduce ODA conditionalities and allow the poorest countries to access and fully realize the gains from new technologies.

40. Batyr Bazarov, Minister of Finance and Economy of Turkmenistan, highlighted that the Sustainable Development Goals had been fully mainstreamed into the national sustainable development strategy of Turkmenistan through a five-year partnership programme with the United Nations. The country was focused on creating a market economy based on economic growth, social well-being and environmental protection. Both domestic and external resources were important. Turkmenistan continued to optimize its use of natural resources while increasing economic diversification, and had initiated new infrastructure projects.

41. Fabio Kanczuk, Secretary of Economic Policy at the Ministry of Finance of Brazil, underscored that Brazil was coming out of its worst recession in decades, which made it important to put in place preventative measures to avert future crises. Its strategy to increase investment in achieving the Sustainable Development Goals harnessed public and private finance in a complementary manner. Innovative instruments to tap private finance included green bonds, which would raise funds to finance or refinance projects or assets that had positive environmental or climate impacts, as well as performance bonds, which were common in the construction sector and ensured payment in the event that a contractor failed to fully execute the contract. Public spending had increased substantially over recent years; however, reductions in inequality were still needed.

42. Admasu Nebebe, State Minister of Finance and Economic Cooperation of Ethiopia, emphasized the need for a long-term strategy on realizing the Sustainable Development Goals. He highlighted the need for investing in a more effective tax system through smart tax policies and better institutions. Ethiopia was pursuing efforts to increase domestic and international private sector investment by promoting financial inclusion, investing in human capital, strengthening its financial system and establishing industrial parks to attract foreign direct investment. Ethiopia had also put in place a law on public-private partnerships to guide joint public-private investments towards achieving the Goals. Mr. Nebebe stressed the importance of using ODA to leverage domestic resources for sustainable development.

43. Väino Reinart, Under-Secretary of Economic and Development Affairs at the Ministry of Foreign Affairs of Estonia, stressed that information and communications technology had helped Estonia significantly improve the efficiency, cost effectiveness and transparency of its tax system. Estonia was now rated first on the tax

competitiveness index of OECD and twelfth in the ease of doing business index by the World Bank. Peer learning was an important mechanism to help other countries harness the benefits of information and communications technology in domestic resource mobilization. In that context, Estonia had established an e-governance academy to share best practices and experiences with other interested countries.

44. Noel González Segura, Director-General of Planning and Policies for International Development Cooperation at the Agencia Mexicana de Cooperación Internacional para el Desarrollo in Mexico, highlighted that Mexico had introduced federal laws to spur competitiveness and increase investment in priority sectors like infrastructure and technology. Because of structural reforms in the economy, quality and long-term investment had increased and small and medium-sized enterprises enjoyed greater access to finance through more competitive pricing. He emphasized the need to strengthen cooperation in tax matters, including through international forums like the Committee of Experts on International Cooperation in Tax Matters.

45. Lidy Nacpil, Coordinator of the Jubilee South Asia Pacific Movement on Debt and Development, called for debt relief measures for small island developing States that had suffered from the 2017 Atlantic hurricane season. She argued for the need to separate climate finance from discussion of ODA, pointing to the stipulation in the United Nations Framework Convention on Climate Change that climate finance was an obligation from developed to developing countries. She called on countries to consider taxing the richest 1 per cent to generate more resources for sustainable development and establishing a global tax body under the aegis of the United Nations.

46. During the interactive discussion, some participants called for caution in the implementation of new and innovative financing mechanisms. Some of those instruments might increase the debt burden of developing countries and reduce the availability of resources to finance the Sustainable Development Goals in the long term. More progress was needed for the prevention and resolution of debt crises, including through advancing discussions within the United Nations on guidelines for responsible borrowing and lending, as well as solutions to restructure sovereign debt.

Ministerial round table 4

47. George Gyan Baffuor, Minister of Planning of Ghana, stated that Ghana had prioritized moving beyond aid by focusing on two key areas: increased domestic resource mobilization and the strengthening of regulatory frameworks to facilitate private investment. To increase domestic resources, Ghana was pursuing several measures, including a national identification programme and an excise tax stamp policy. Ghana recognized the need to develop investable projects and had implemented programmes to incentivize business activities. Mr. Baffuor concluded by noting that the forum contributed to greater policy coherence for sustainable development.

48. Hadizatou Rosine Coulibaly, Minister of Economy, Finance and Development of Burkina Faso, stated that Burkina Faso was committed to significant domestic resource mobilization and had assessed its tax system, identified gaps and developed a strategic plan to modernize its collection practices, with the aim of increasing its tax-to-GDP ratio to between 14 and 20 per cent. Digital technologies were facilitating improved domestic resource mobilization. Looking ahead, it had plans to carry out a census on property ownership to improve the accuracy of property tax assessments and had improved its ease of doing business by creating a streamlined system for entrepreneurs. Its law on public-private partnerships benefited from lessons learned from other countries. It was also looking at how to use pension funds and long-term

investors to finance development. Overall, rural development remained a key consideration, given the number of rural-dwelling poor.

49. Mohamed Osman Suliman Al-Rikabi, Minister of Finance and Economic Planning of the Sudan, reported that the national development plan of the Sudan included an economic reform programme through 2019. To build resilience to shocks, it was working on mobilizing domestic resources, including through the creation monitoring mechanisms, modern tax collection methods, increased efficiency of government institutions and improved transparency. The country faced ongoing challenges, including costly loans, the repercussions of sanctions and security-related issues. Given its fragility, he called for greater support, including through the provision of ODA.

50. Qahhorzoda Fayziddin, Minister of Finance of Tajikistan, highlighted the priorities of Tajikistan in the Sustainable Development Goal context as energy, food and nutrition security, water security, climate change and productive employment. The country had made great progress in reducing poverty, but eradication and reaching the furthest behind would prove difficult. The country currently had 70 investment projects under way with development partners working towards priority areas. He emphasized that investment in large regional infrastructure projects should be on a concessional basis, with a long-term orientation.

51. Patrick Chinamasa, Minister of Finance and Economic Development of Zimbabwe, reported that Zimbabwe had set the goal of becoming a middle-income country by 2030. Many financing challenges stemmed from the impact of economic sanctions against the country, and Zimbabwe was pursuing the normalization of relations with relevant countries and improved prospects for resource mobilization. It had also prioritized the addressing of debt burdens, poor infrastructure and economic informality. Various policy and reform measures were being put in place in support of national efforts, including by creating a public-private partnership policy, combating illicit financial flows, improving ease-of-doing-business measures and implementing stronger tax systems. It hoped to build data capacities to support those initiatives.

52. Jens Frølich Holte, State Secretary in the Ministry of Foreign Affairs of Norway, noted that the international community had weathered the global financial crisis, but the experience had resulted in overcaution in some areas. Long-term dedication, informed risk-taking, innovation and market creation need to be strengthened going forward. As fiscal and monetary stimulus faded soon, the private sector should redeploy assets towards sustainable development. Given the trillions of dollars that could be unlocked for the Sustainable Development Goals, leveraging and risk mitigation were critical. Norway prioritized the protection of the multilateral trade system. Greater efforts on tax aid were needed. Greater attention also needed to be paid to the looming debt crisis and continued illicit financial flows.

53. Bary Ermanuel Rafatolaza, State Secretary in the Ministry of Foreign Affairs of Madagascar, welcomed stronger international tax cooperation and suggested that the United Nations could evaluate bilateral tax agreements in relation to the Sustainable Development Goals. The Government of Madagascar had implemented new legislation on public-private partnerships, specifically focused on renewable energy. It continued to improve its business environment and was pursuing a new growth frontier: the "blue" maritime economy. The forthcoming adoption of the national strategic document for development cooperation would contribute to improvements in the quality of aid and Sustainable Development Goal results.

54. Nim Dorji, Finance Secretary of Bhutan, reported that Bhutan had experienced strong growth and had fully integrated the Sustainable Development Goals into its national development plans. It had met the criteria for graduation from least

developed country status, and planned to graduate from that status by 2021. Bhutan was currently making attempts to strengthen tax administration and broaden the tax base. It prioritized integrating the informal economy into the tax system. Looking ahead, partnerships would be critical. Bhutan was also trying to make foreign direct investment and public-private partnerships more attractive, including through improved rules and frameworks.

55. Miguel Ángel Estuardo Moir Sandoval, Secretary of Planning of Guatemala, said that, given the focus of the current architecture for financing and development cooperation on partnerships, rather than ODA, the country increasingly emphasized effectiveness and quality. He encouraged innovative thinking on criteria and access to concessional finance. Currently, much development assistance did not sufficiently take advantage of national and local institutions. South-South cooperation continued to be useful, especially for sharing lessons about avoiding common pitfalls. Trade was a tool for local development and the growth of small and medium-sized enterprises, and could improve competitiveness; therefore, aid-for-trade should be strengthened.

56. Michael Baldinger, Head of Sustainable and Impact Investing of UBS, said that the Sustainable Development Goals were a road map to solve global sustainability challenges and that private capital was crucial. Given the estimated resources needed for the Goals, innovative approaches to investment were needed. Sustainable investments currently amounted to more than SwF 1 trillion. Aligning financial objectives to the Goals offered new opportunities to improve sustainability and make an impact. UBS strived to use global resources to drive innovation and champion local initiatives.

57. During the interactive discussion, civil society representatives drew attention to the challenges posed by public-private partnerships in developing countries, which sometimes resulted in the costly privatization of essential public services, and the need for more concerted efforts to curtail illicit financial flows.

VI. Launch of the Joint Policy Fund to Advance the 2030 Agenda through Integrated Policy

58. The Deputy Secretary-General launched the Joint Fund for the 2030 Agenda for Sustainable Development, which builds on the vision laid out by the Secretary-General on the repositioning of the United Nations development system. An overarching objective is the need for the United Nations development system to work more effectively as a true system, with a consequent shift from competition to collaboration and the delivery of shared results. The Joint Fund is one component of the larger funding compact for the development system. It is a global, multi-partner pooled fund aimed at supporting Governments to accelerate progress towards the Sustainable Development Goals. The Fund also builds on successful experiences of the past, such as "Delivering as one" and the Millennium Development Goals Fund, and is designed to leverage significant financial flows. It will provide "the muscle" for a new generation of resident coordinators and United Nations country teams. The Deputy Secretary-General called on Member States to support the Fund. Germany, Ireland, Norway, Spain, Sweden, Switzerland and the European Commission announced their contributions to the Fund at the launch. Rwanda underlined the importance of using the fund as a catalyst for resources aimed at the implementation of the Goals, and in support of country priorities.

VII. Interactive dialogue with intergovernmental bodies of major institutional stakeholders

59. The 2018 interactive dialogue, chaired by the President of the Economic and Social Council and moderated by Zain Asher of CNN, addressed two themes: (a) disaster risk and resilience, and (b) taxation in the digitalized economy.

60. In opening the dialogue, the President of the Economic and Social Council emphasized that the growing human and economic costs of disasters had demonstrated the potential of such disasters to set back development progress and leave the most vulnerable behind. There were also increasing concerns around the rules and regulations that governed the shift to digital economies.

61. Tudor Ulianoschi, President of the Trade and Development Board of UNCTAD, noted that multilateralism was key to addressing major challenges such as weak economic growth, climate change and threats to privacy. The concept that development is universal was a major innovation of the 2030 Agenda. UNCTAD was focused on turning such transformative thinking and commitments into action and impacts.

62. Lesetja Kganyago, Chair of the International Monetary and Financial Committee of IMF, stressed that the current upswing in the global economy provided a window of opportunity for reform. Building resilience was a priority, given the wide range of vulnerabilities across countries. He identified the declining levels of trust among key partners (States, business and societies) needed for sustainable globalization as a fundamental challenge to progress. In that context, he referred briefly to global trade, emphasizing that trade cooperation always led to better results, with the poor standing to lose the most from trade conflicts.

63. On behalf of the Chair of the Development Committee, Dominique Bichara, Director of the Corporate Secretariat of the World Bank, said that the capital increase agreed at the 2018 Spring Meetings would allow the Bank to more effectively deliver development results in a financially sustainable manner and ensure that funds were strategically deployed where most needed. Four priorities for the World Bank had been identified by the Committee: staying engaged with all clients; leading on the global public goods agenda; mobilizing capital and creating markets; and improving effectiveness and internal operations.

64. Merza Hasan, Dean of the Board of Executive Directors of the World Bank Group pointed to the forum as an important platform for bringing together institutional stakeholders to discuss progress on its responsibilities and commitments to the 2030 Agenda. He indicated that Bank was thinking about how to use ODA to unleash more capital from markets. The International Finance Corporation was making sure that it was adequately financed and capitalized. The International Development Association package was especially focused on climate and fragility. Other innovations and new tools, such as facilities for pandemics, droughts and refugees, had been developed. Work was ongoing on global concessional financing for middle-income countries that had been affected by refugee inflows. The Bank should partner with the United Nations throughout those and other efforts to mobilize resources.

65. Aleksei Mozhin, Dean of the Executive Board of IMF, described how the Fund was supporting countries in addressing disaster risk and digitalizing economies and taxation. That included a programme for reinforcing resilience and new work to address the challenges associated with digitalization in areas such as productivity, labour and financial markets, and fiscal and monetary policy. He highlighted the ongoing work with partners on tax issues through the Platform for Collaboration on

Tax. The Fund would also conduct a rigorous and candid assessment of excessive global imbalances and do a stocktaking of capital flow measures.

66. Four speakers led the discussions on disaster risk and resilience.¹ It was emphasized that substantially increasing the number of countries with national and local disaster risk reduction strategies in place by 2030 was essential to ensure the transition from managing disasters to reducing disaster risks. It required moving from ex post ad hoc responses towards ex ante prevention and risk reduction. Models for growth needed to be built on resilient infrastructure and risk-informed investment. The World Bank was using development policy lending as an instrument to incentivize Governments to have frameworks in place for disaster risk management plans. It also incorporated disaster- and climate-related risks in its national partnership plans and projects. At the same time, country-specific risk mitigation and disaster preparedness plans that fit into a macrofiscal framework and had the ability to assess progress was critical. The new IMF climate change policy assessment tool, which was being used in some island States to assess and make recommendations on general preparedness for climate change while identifying areas for capacity-building, was a welcome development. Sustainability frameworks for low-income countries should include tailored stress tests for improving preparedness. Future success would require countries to adjust fiscal planning and priorities and necessitate a shift in donor support from ex post to ex ante interventions. It was important to invest in early warning systems, national strategies for disaster risk reduction and integrated national financing frameworks that were multisectoral and that ensured the resilience of development achievements. Greater risk-informed investments were essential and building capacities with regard to risk modelling and mapping were especially useful in that regard.

67. Representatives² of the World Bank, IMF, the United Nations and OECD shared their views on taxation in the digitalized economy. Digitalization could enhance tax compliance and, through digital payment systems, Government capacities for improving tax flows could be strengthened. The digitalized economy also increased services to taxpayers. At the same time, there were concerns about difficulties in taxing digital activities. The digital economy raised questions about the need for a targeted versus a comprehensive approach to dealing with the larger tax architecture. There was consensus that rules and standard-setting to establish some agreed norms were needed, as unilateral actions would lead only to fragmentation and distortion and have a disproportionately negative impact on low-income countries. There was now broad consensus that value added tax should be paid, in principle, where consumption took place. The recent report of OECD on that issue had identified the need for an international solution by 2020, even if there might be a case for quick action through interim measures. The Platform for Collaboration on Tax was a useful tool for cooperation. Developing countries formed an integral part of the inclusive framework on base erosion and profit shifting, which provided a forum towards a comprehensive approach.

¹ Aparna Subramani, Executive Director for India, World Bank Group; Nancy Horsman, Executive Director for Canada, IMF; Jerry Matthews Matjila (South Africa), Vice-President of the Economic and Social Council; and Mami Mizutori, Special Representative of the Secretary-General for Disaster Risk Reduction.

² Masaaki Kaizuka, Executive Director for Japan, IMF; Hervé De Villeroché, Executive Director for France, World Bank Group; Francisco Duarte Lopes, Permanent Representative of Portugal to the United Nations; and Martin Kreienbaum, Chair of the Committee on Fiscal Affairs, OECD.

VIII. Expert segment

Round table A: domestic public resources

68. Participants highlighted the importance of coherent fiscal policies that ensured spending priorities were consistent with long-term, sustainable development objectives. Critical for supporting such coherence were broad-based political support that transcended political cycles; a whole-of-government approach to taxation, including consideration of the municipal level; efficient revenue administration; and a consistent legal framework. Medium-term revenue strategies were essential for laying out a road map for the implementation of legal and policy reforms that would raise additional revenues, as well as administrative reforms to ensure efficient tax collection.

69. Stronger capacity-building for domestic resource mobilization was needed and should be demand-driven and aligned to national sustainable development priorities and needs. Greater capacities to analyse and assess various tax policies were a priority. There was also a call for enhanced efforts by international organizations to support developing countries in building resilient institutions and more efficient administrations, which would help to strengthen resource mobilization efforts. The Committee of Experts on International Cooperation in Tax Matters and the Global Forum on Transparency and Exchange of Information for Tax Purposes were highlighted as two good examples of multilateral support in that area.

70. International tax cooperation could help to address the perceived tension between creating an enabling investment environment and protecting the tax base of countries. It could help to promote a shared understanding and prevent a "race to the bottom", especially in a fast-changing global economy where trends such as digitalization posed challenges to and created opportunities for all countries. Some participants emphasized that the United Nations was ideally placed to convene inclusive multilateral discussions on international tax standard-setting, given its universal membership and resources such as the Committee of Experts.

Round table B: domestic and international private business and finance

71. The discussion highlighted a range of cases demonstrating that sustainable investments were profitable. Representatives from the private sector noted that there was still work to be done to show wary investors that investments related to the Sustainable Development Goals, and impact investment broadly, could produce good returns. Some investors were using the Goals as a foundation for their investment strategies, including by investing significantly in green and sustainable bonds from multilateral development banks. It was suggested that one way of making progress in that area was to consider the different actors within private finance separately, as their incentives could vary and they would therefore benefit from more tailored strategies.

72. A fundamental component of unlocking private business and financial resources for the Sustainable Development Goals was to strengthen the overall investment climate within countries. One priority in many developing country contexts was the need to enhance transparency, develop legal frameworks and clarify risk allocation for investors. Private investments could be attracted through risk-reducing instruments, such as first-loss tranches, and through better data and information services that bolstered local markets and increased financial services. In landlocked least developed countries, where the demand for interregional connectivity and improved infrastructure was high, regional development banks had supported national

efforts by providing mechanisms such as guarantee schemes, syndicated loans and co-financing arrangements.

73. A balanced approach to improving both the quality and quantity of investment was emphasized, and public-private partnerships were highlighted as one mechanism deserving greater attention and quality assurance. Concerted efforts to build enabling environments and reduce risks for investment should not be equated with broad deregulation and lowered labour standards. Development finance institutions had an important role to play in enforcing rigorous environmental and social safeguards, and it was suggested that such institutions could work more closely with trade unions to monitor implementation.

Round table C: trade, science, technology, innovation and capacity-building

74. Participants strongly agreed on the importance of a universal, rules-based, open and fair multilateral trading system for making progress on the Sustainable Development Goals. Both multilateral and national measures were key to ensuring a more even distribution of gains from trade. They stressed the importance of analysing the different impacts of trade measures on different sectors and groups, whether in the micro-, small and medium-sized enterprise sector or for women workers and/or those employed in the informal economy. The International Labour Organization and UNCTAD were identified as having unique skill sets in some of the areas identified, and their recent strengthened engagement with WTO was welcomed.

75. Some countries were already prioritizing the inclusion of labour and environmental standards in all new trade agreements. Such efforts should be more widespread and scaled up. Impact assessments could also be strengthened further by incorporating an analysis of how particular trade measures would have an impact on achievement of the Sustainable Development Goals. Involving civil society and vulnerable groups in broad and transparent consultation processes for new trade agreements could ensure greater sustainability.

76. Regarding the role of science, technology and innovation, participants highlighted new opportunities for small and medium-sized enterprises, including those led by women entrepreneurs, such as connection to markets, new employment opportunities and enhanced financial inclusion. At the same time, participants were cognizant of potential risks posed by rapid advances in science and technology, such as the evolution of digital divides into much larger development divides, owing to the uneven distribution of access and adaptation of digital technologies across and within countries. The commercialization of technology could present an obstacle to bringing innovations to scale, particularly in small developing countries.

77. Technology-driven automation also threatened job security and could erode labour standards through the increased power of the gig economy. While potential labour market disruptions were acknowledged, several participants expressed optimism about the possible generation of new and different jobs in line with past technological revolutions. National policies for steering the direction of rapid technological change to produce inclusive economic and social benefits were essential. With respect to the challenge of "brain drain" from developing countries, there was a suggestion to establish stronger international support for tertiary education in developing countries. In addition, increased investment in research and development, the dedication of a larger share of ODA flows, and capacity building could support progress in that area.

Round table D: international development cooperation

78. International development cooperation would continue to play a key role in achieving the Sustainable Development Goals. ODA was recognized as particularly important in low-income countries and least developed countries, where it often formed a significant proportion of a country's financial resources. Given the size of the financing gap for the Goals and limited ODA, integrated strategies for mobilizing domestic resources and private finance were needed. Blended finance could be effective, but it was not appropriate in all contexts. A stronger evidence base was needed, and further work should be done to collect data on it. Work was being done to develop a methodology to capture all the flows from all providers, regardless of concessionality levels.

79. The curtailment of access to concessional finance as graduation from the least developed country category occurred was mentioned as a concern. Some considered that process to be too abrupt, and there was a call for ensuring that countries in transition did not lose access to essential resources. Participants also raised the issues of challenges to accessing concessional finance in relation to the "middle-income country trap", economic growth amid high rates of poverty and economic growth in weak political and governance contexts. OECD reported that it was working on methodologies for reinstating ODA because of structural factors and pointed to the need for separate measures for countries that had already graduated but faced dramatic events that required ODA.

Round table E: debt and systemic issues

80. There was shared concern over the rapid rise of debt in many developing countries in recent years. Debt financing had allowed for infrastructure and other key investments in the Sustainable Development Goals. Nevertheless, growing debt levels, especially from private and non-concessional sources, had made many developing countries vulnerable to deteriorations in the global economic environment, such as rising interest rates. Climate-related disasters also contributed to debt vulnerabilities in some small island developing States. In addition, the build-up in corporate debt in many emerging economies could end up threatening public balance sheets, as well as causing a loss of momentum around financial sector regulatory reform.

81. Several options for policy responses were discussed. There continued to be a need for access to concessional financing, increases in domestic resource mobilization, more transparency and a better understanding of existing debt vulnerabilities. The response of the international community to disasters had improved, but much more progress was needed with regard to preparedness. In the ex post space, both private and public initiatives, such as quick disbursement mechanisms and parametric insurance, had led to improved disaster response. State-contingent debt instruments, which adjusted or delayed debt-servicing requirements in response to a predetermined event, held great potential. At the same time, it must be recognized that such instruments would not be sufficient to address a solvency crisis. Gaps remained in the international architecture for dealing with sovereign debt resolution. In the absence of political consensus on a treaty-based mechanism, improvements to official creditor coordination, market-based and soft-law approaches had been taken forward. Another proposal mentioned during the discussion was a regional debt relief initiative for the eastern Caribbean, building on the experience of the initiative for heavily indebted poor countries.

Expert discussion: encouraging foreign investment to countries in special situations

82. The discussion focused on the commitment contained in the Addis Ababa Action Agenda by the international community to foster investment promotion regimes for least developed countries and countries in special situations. There were many impediments that reduced investment in least developed countries, including poor infrastructure, an unfavourable investment climate and a lack of capacity. Despite the continued need, foreign direct investment continued to bypass least developed countries and countries in special situations. Blended finance was mentioned as one tool to leverage investment; however, it was mostly concentrated in middle-income countries and its suitability in various contexts was questioned.

83. Political stability and strong legal, regulatory and institutional frameworks were agreed to be effective tools for promoting investments. It was suggested that domestic law should remain the primary source for ensuring responsible business conduct, while international rules on investor conduct could supplement domestic legal frameworks, such as those developed by OECD and UNCTAD. Legal capacities in those areas were also critical, especially in the context of the transition of least developed countries towards graduation. The investment support programme for least developed countries was highlighted as a useful public-private partnership.

84. Specific policy options and related actions that could be taken at the national level were discussed. For example, creating ecosystems for investment, productivity and entrepreneurship, including through upgraded infrastructure and transport networks, as well as establishing special economic zones and industrial parks, could be catalysts for foreign direct investment. Special investment agencies could also play a key role by providing one-stop services for access to information, business registration and liaison services for joint ventures. Investment reforms to lower the cost of doing business are critical in that regard.

Expert discussion: gender equality and the empowerment of women

85. Gender equality and the empowerment of women were deeply rooted in the 2030 Agenda and the Addis Ababa Action Agenda, but efforts needed to be intensified to overcome persistent gender inequalities in a wide range of areas, including wage inequality, job discrimination, unpaid work and a higher likelihood of being employed in the informal, or unregulated, economy. The ongoing contraction of public expenditure in many countries often eroded public services and social protection measures, on which women often depended, including health, education and childcare services.

86. Increasing progressive taxation could contribute to equality and support investment in infrastructure critical for women's empowerment. It was noted that tax systems around the world had been built around the traditional economy of gender, which was no longer fit for purpose. Specifically, tax systems had developed historically in line with the notion that women performed unpaid work and could be subsumed into the fiscal space of their husbands. It was argued that most domestic tax systems had still not been reformed to remove systemic unfairness towards women, and the increased importance of value-added tax in many countries also had regressive effects on poor women. In addition, tax evasion and avoidance reduced the funds that could be used to advance the Sustainable Development Goals and fostered greater inequalities.

87. Apart from taxation issues, policy approaches to address challenges of gender inequality had included the establishment of legal frameworks that put affirmative action for women's empowerment at their centre. For instance, public planning and budgets could integrate the gender perspective, and the recent upgrading of target c of Sustainable Development Goal 5, on policies for the empowerment of women, from a tier 3 to a tier 2 indicator underlined the growing importance of that issue. In addition, all public policies should be aligned with strengthening gender equality. It was critical to foster the inclusion of women in economic and financial systems, including through investments in financial inclusion and training, as well as participation in cooperatives.

IX. General debate

88. Many Member States reported on their progress in fully integrating the Sustainable Development Goals into national development plans, strategies and budgets. Domestic resources, mobilized by strong national commitment, were widely agreed to be critical, but their impact would be limited without an improved global enabling environment and global partnership for sustainable development. Some developing countries referred to new challenges brought about by innovations such as the digitalized economy and financial technology, as well as other rapidly advancing technologies with unclear effects on developing countries (e.g. artificial intelligence). Those trends underlined the importance of international cooperation and capacity-building in those fast-changing areas and their impact on economic and financial systems.

89. There were repeated calls for ODA commitments to be fulfilled. While there was broad agreement that ODA was integral to financing the Sustainable Development Goals, some countries emphasized the need for diversification through "more comprehensive" approaches in the financing space and consideration of the full means of implementation.

90. There was strong emphasis of the need for targeted attention and approaches for financing and resource mobilization for countries in special situations, in line with their respective challenges. Least developed countries underlined their concern about the weak growth trends in many least developed countries, which put them off track for achieving Sustainable Development Goal 1 by 2030, and related trends in ODA flows, for which the 0.2 per cent commitment was not being met. Enhanced support was required as least developed countries approached the graduation threshold. Small island developing States advocated for a revision of eligibility criteria for concessional financing based, among other things, on the predominance of losses induced by natural disasters faced in small island developing States each year. Gross income level as a measure was no longer adequate, and they welcomed efforts by some multilateral development banks to innovate in that area. Conflict-affected States highlighted the need for approaches that were more sensitive to conflict and complexity and that could lend a helping hand, including through risk guarantees, to encourage private financial investment. Middle-income countries also reported on the challenges they faced with regard to all three dimensions of sustainable development, owing to rising inequalities despite the improvement in macroeconomic indicators, and difficulties of access to long-term capital for financing the Goals, especially for recently graduated countries. South-South cooperation continued to be a complement to, rather than a substitute for, traditional development cooperation.

91. Concerns emerged regarding the impact of climate change on sustainable development and its interlinkages with progress on financing for development. Given the step-change needed in climate finance, some States would have liked for more

attention to have been paid to that topic within the context of financing for development discussions. Others emphasized that climate finance was critical and should be treated as additional to other financing for development flows.

92. Member States recognized the role of the private sector as an essential partner for sustainable development. It was noted that discussions needed to urgently move from whether private finance could be mobilized to how to get it to where it was most needed. The emphasis on changing incentives from short-term to long-term sustainable investment was welcomed by many delegations. Countries reported on efforts to improve domestic enabling environments for private investment, including through foreign direct investment and the implementation of standards and frameworks for public-private partnerships, in alignment with national sustainable development priorities. Innovative financing was also highlighted as an important tool. At the same time, Member States expressed caution about ensuring the necessary balance between the roles of public and private finance for sustainable development.

93. The centrality of capacity-building in developing medium-term resource mobilization strategies, within a holistic approach to sustainable development, was also emphasized. Gender-responsive budgeting was identified as an area in which greater efforts could potentially be made.

94. There was a strong call for strengthened international cooperation on tax and fiscal matters. Some Member States recommended fully upgrading the Committee of Experts on International Cooperation in Tax Matters into an intergovernmental body with experts. The Platform for Collaboration on Tax was welcomed as a useful, coordinated approach to supporting tax systems.

95. The important role of international trade for development and as an important means for achieving the 2030 Agenda was clearly highlighted by most Member States. In general, they underlined the importance of the multilateral trading system while expressing concern about a growing tendency towards unilateral and protectionist rhetoric and measures. Noting the declining trends in the share of least developed countries in global trade since 2011, it was suggested that growing trade deficits in those countries could be reversed alongside better-directed aid for trade. Member States recalled the risk of a renewed cycle of debt crises. There was a call for renewed international efforts towards greater debt sustainability.

96. Member States expressed appreciation to the co-facilitators (Jamaica and Portugal) for their efforts in facilitating a consensus outcome document of the forum. They welcomed the work of the Inter-Agency Task Force on Financing for Development as an effective coordination effort, and many commended its analysis and recommendations as a good basis for measuring progress and addressing gaps in implementation of the Addis Ababa Action Agenda.

X. Presentation and adoption of the intergovernmentally agreed conclusions and recommendations

97. The President of the Economic and Social Council thanked Courtenay Rattray, Permanent Representative of Jamaica to the United Nations, and Francisco Duarte Lopes, Permanent Representative of Portugal to the United Nations, for bringing the negotiations to a successful conclusion. Ambassador Lopes, on behalf of the co-facilitators, presented the intergovernmentally agreed conclusions and recommendations. The outcome document was adopted by consensus. The Group of 77 and China, the European Union, the United States of America, Switzerland and Mexico explained their positions at the adoption of the document.

XI. Closing of the forum on financing for development follow-up

98. The forum adopted by consensus its report (E/FFDF/2018/3), which contained the intergovernmentally agreed conclusions and recommendations. The 2018 forum was closed by the President of the Economic and Social Council.